

DO

FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36146]

Bayway Terminal Switching Company, L.L.C.—Modified Certificate of Public Convenience and Necessity

On September 5, 2017, Bayway Terminal Switching Company, L.L.C. (BTSC),¹ a noncarrier, filed a notice for a modified certificate of public convenience and necessity under 49 C.F.R. pt. 1150 subpart C—Modified Certificate of Public Convenience and Necessity, to permit BTSC to operate over a rail line owned by the state of New Jersey. The rail line is located between milepost 3.15 (East Linden Avenue) and milepost 4.56 in Union County, N.J. (the Line).²

BTSC states that the abandonment of the Line was previously authorized by the Interstate Commerce Commission in Staten Island Railway—Abandonment, AB 263 (Sub-No. 3) (ICC served Dec. 5, 1991) and Rahway Valley Railroad—Abandonment—Between Aldene & Summit in Union County, N.J., AB 211 (ICC served Aug. 27, 1992).

According to BTSC, it will commence contract carrier switching services for four customers located on the Line pursuant to a Railcar Switching Agreement (Agreement).

¹ BTSC is a subsidiary of Watco Transportation Services, L.L.C., which, in turn, is a subsidiary of Watco Holdings, Inc.

² The Line, along with other rail lines, was previously operated by the Morristown & Erie Railway, Inc. See Morristown & Erie Ry.—Modified Rail Certificate, FD 34054 (STB served July 5, 2002).

BTSC states that the four customers are Phillips 66 Company (Phillips), Infineum USA L.P., Veolia North America Regeneration Services, LLC, and Solutia Inc. According to BTSC, it is seeking this modified certificate so that it can provide common carrier switching services should anyone request such service in the future. BTSC states that the Agreement has a term of five years subject to extensions by agreement of the parties. BTSC further states that Phillips is entering into an agreement with the state of New Jersey, which will give Phillips custody of the Line.³

According to BTSC, it will interchange with Consolidated Rail Corporation (Conrail), pursuant to an Interchange Agreement, as a contract switching carrier at the Bayway Industrial Track (Bayway I.T.); the connecting track between the Bayway I.T./Simmons Lead and Bayway Yard and Track No. 4 of Bayway Yard; or, such other location to be agreed upon by BTSC and Conrail.

The Line qualifies for a modified certificate of public convenience and necessity. See Common Carrier Status of States, State Agencies & Instrumentalities & Political Subdivisions, FD 28990F (ICC served July 16, 1981); 49 C.F.R. § 1150.22.

BTSC states that no subsidy is involved and that there are no preconditions for shippers to meet to receive rail service. BTSC's notice also includes a certificate of liability insurance coverage. (See Notice Ex. 2.)

³ On April 25, 2018, BTSC supplemented its Notice by submitting copies of the agreement between BTSC and Phillips and the agreement between Phillips and the state of New Jersey.

This notice will be served on the Association of American Railroads (Car Service Division), as agent for all railroads subscribing to the car-service and car-hire agreement, at 425 Third Street, S.W., Suite 1000, Washington, DC 20024; and on the American Short Line and Regional Railroad Association at 50 F Street, N.W., Suite 7020, Washington, DC 20001.

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Decided: May 15, 2018.

By the Board, Scott M. Zimmerman, Acting Director, Office of Proceedings.